

# **EXHIBIT 1**



16012421

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

**OMB APPROVAL**

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**ANNUAL AUDITED REPORT****FORM X-17A-5****PART III****SEC**  
**Mail Processing****Section****SEC FILE NUMBER**  
MAR 01 2016 8-53024**Washington DC**  
**404****FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2015 AND ENDING DECEMBER 31, 2015**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**OFFICIAL USE ONLY****ACER INVESTMENT GROUP LLC****FIRM ID. NO.**

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P. O. Box No.)

**3372 Woods Edge Circle – Suite 104****Bonita Springs,****Florida****34134**

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

**Alan Goldman****(TEL) 239-908-9859**

(Area Code – Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

**LERNER & SIPKIN, CPAs, LLP****132 Nassau Street, Suite 1023****New York****NY****10038****X****Certified Public Accountant****FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e) (2).

**Potential persons who are to respond to the collection of  
information contained in this form are not required to respond  
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SEC 1410 (06-02)

**ACER INVESTMENT GROUP, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015**

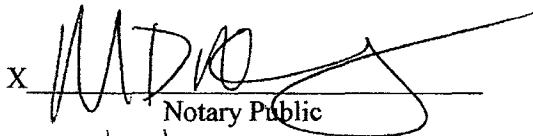
### OATH OR AFFIRMATION

I, **Alan Goldman**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **ACER INVESTMENT GROUP, LLC, as of December 31, 2015**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

x   
Signature

CHIEF FINANCIAL OFFICER  
Title

x   
Notary Public  
2/23/16

**Myra D'Agosto**  
Notary Public, State of New York  
No. 01DA6327993  
Qualified in Nassau County  
Commission Expires July 20, 2019

This report\*\* contains (check all applicable boxes):

- (x) (a) Facing page.
- (x) (b) Statement of Financial Condition.
- ( ) (c) Statement of Operations.
- ( ) (d) Statement of Cash Flows.
- ( ) (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ( ) (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ( ) (g) Computation of Net Capital.
- ( ) (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ( ) (i) Information Relating to the Possession or Control requirements under rule 15c3-3.
- ( ) (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the reserve requirements Under Exhibit A of Rule 15c3-3.
- ( ) (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (x) (l) An Oath or Affirmation.
- ( ) (m) A copy of the SIPC Supplemental Report.
- ( ) (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (x) (o) Independent Auditors' Report.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A.  
jlerner@lernerpsipkin.com

Joseph G. Sipkin, C.P.A.  
jsipkin@lernerpsipkin.com

INDEPENDENT AUDITORS' REPORT


To the Members of  
Acer Investment Group, LLC  
3372 Woods Edge Circle – Suite 104  
Bonita Springs, FL 34134

We have audited the accompanying statement of financial condition of Acer Investment Group, LLC. (the Company) as of **December 31, 2015**. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

We conducted our audit in accordance with the standards of Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Acer Investment Group, LLC. as of **December 31, 2015** in conformity with accounting principles generally accepted in the United States.

  
Lerner & Sipkin CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
January 22, 2016

**ACER INVESTMENT GROUP, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

**ASSETS**

Cash and cash equivalents	\$ 509,568
Due from brokers	576,666
Dividend finder fees receivable	25,591
Fixed assets, net of accumulated depreciation of \$65,460 (Notes 2(e) and 4))	18,314
Prepaid expenses	15,725
Other assets	<u>24,526</u>
Total assets	<u>\$ 1,170,390</u>

**LIABILITIES AND MEMBERS' CAPITAL****Liabilities:**

Accounts payable and accrued expenses	\$ 37,483
Due to Member	<u>75,000</u>
Total liabilities	<u>112,483</u>

**Commitments and Contingencies (Note 6)**

<b>Capital (Note 7)</b>	<u>1,057,907</u>
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Total liabilities and capital	<u>\$ 1,170,390</u>
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*The accompanying notes are an integral part of this statement.*

**ACER INVESTMENT GROUP, LLC**  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

**Note 1- Nature of Business**

Acer Investment Group, LLC, a limited liability company (The “Company”) is a broker/dealer in securities, registered with the Securities and Exchange Commission and is a member of the Chicago Stock Exchange.

The “Company” operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities Exchange Commission, and accordingly is exempt from the remaining provisions of that rule.

**Note 2- Summary of Significant Accounting Policies**

**a) *Revenue Recognition***

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis.

**b) *Marketable Securities***

Marketable securities owned by the Company are reflected at market value with the resulting unrealized gains and losses included in income.

**c) *Cash and Cash Equivalents***

The Company considers money market funds to be cash. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

**d) *Income Taxes***

Income taxes are not payable by, nor provided for, the Company. Members are taxed individually on their share of company earnings for federal and state income tax purposes.

**e) *Depreciation***

Depreciation of furniture and equipment is computed on the straight-line method using estimated useful lives of five to seven years.

**f) *Use of Estimates***

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions may affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

**g) *Subsequent Events***

The company has evaluated events and transactions that occurred between December 31, 2015 and January 22, 2016, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**ACER INVESTMENT GROUP, LLC**  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

**Note 3- Major Service Providers**

The Company currently has one service provider relationship.

**Note 4- Property, Equipment and Leasehold Improvements**

Major classifications of property and equipment, as of December 31, 2015, are summarized as follows:

Equipment	<u>\$ 80,428</u>
	80,428
Less: Accumulated depreciation	<u>65,460</u>
	14,968
Artwork carried at cost, and, not depreciated	<u>3,346</u>
	<u>\$ 18,314</u>

**Note 5 - Profit Sharing Plan**

The Company is a sponsor of a defined contribution profit sharing plan for its eligible employees. Contributions to the plan, if any, are determined by the employer and come out of its current accumulated profits. The employer's contribution for any fiscal year shall not exceed the maximum allowable as a deduction to the employer under the provisions of the IRS Code Section 404, as amended, or replaced from time to time. The Company contributed \$0 for the year ended December 31, 2015. The Company's liability to the plan for the year ended December 31, 2015, was \$-0-.

**Note 6 - Commitments and Contingencies**

***Office Lease***

At December 31, 2015, the Company has leased two premises. The leases on these premises expire August 31, 2017 and November 10, 2017, respectively. At December 31, 2015, the minimum rental commitment before escalations under the leases is as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 35,553
2017	<u>\$ 13,736</u>
Total	<u>\$ 49,289</u>



**ACER INVESTMENT GROUP, LLC**  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

**Note 7- Net Capital Requirement**

The Company is subject to the Securities and Exchange Commission's Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2015, the Company's net capital of \$973,751 was \$873,751 in excess of its required net capital of \$100,000. The Company's net capital ratio was 11.55%.

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## ANNUAL AUDITED REPORT

FORM X-17A-5 ~~X~~

PART III

SEC FILE NUMBER
8-53024

FACING PAGE

Washington DC  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

OFFICIAL USE ONLY
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ACER INVESTMENT GROUP, LLC

FIRM ID. NO.
--------------

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

3372 Woods Edge Circle, Suite 104  
(No. and Street)

Bonita Springs Florida 34134  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Shari Rothenberg (908) 743-1307  
(Area Code - Telephone No.)

## B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

LERNER &amp; SIPKIN, CPAs, LLP

(Name - if individual, state last, first, middle name)

132 Nassau Street, Suite 1023 New York NY 10038  
(Address) (City) (State) (Zip Code)

## CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2). SEC 1410 (3-91)

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## Acer Investment Group, LLC

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**This report \*\* contains (check all applicable boxes):**

- ☒ Independent Auditors' Report.
- ☒ Facing Page.
- ☒ Statement of Financial Condition.
- ☐ Statement of Operations.
- ☐ Statement of Changes in Members' Equity.
- ☐ Statement of Cash Flows.
- ☐ Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable).
- ☐ Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- ☐ Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- ☐ Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- ☐ A Reconciliation, including appropriate explanations, of the Computation of Net Capital Pursuant to Rule 15c3-1 (included with item (g)) and the Computation for Determination of Reserve Requirements Under Rule 15c3-3 (included in item (g)).
- ☐ A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- ☒ An Affirmation.
- ☐ A copy of the SIPC Supplemental Report.
- ☐ A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).
- ☐ Independent Auditors' Report Regarding Rule 15c3-3 exemption.
- ☐ Rule 15c3-3 Exemption Report. \*\*

*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).*

**AFFIRMATION**

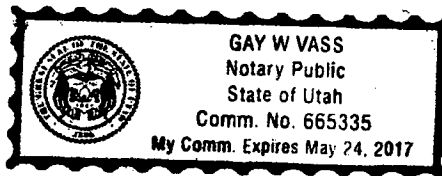
**I, Stacey Kaminer, affirm that, to the best of my knowledge and belief, the accompanying statement of financial condition pertaining to Acer Investment Group, LLC at December 31, 2016, is true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.**

Stacey Kaminer  
Signature

Managing Member  
Title

**Subscribed and sworn  
to before me**

Gay W. Vass



**Acer Investment Group, LLC**

**Index**

**December 31, 2016**

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jsipkin@lerner-sipkin.com

INDEPENDENT AUDITORS' REPORT


To the Members of  
Acer Investment Group, LLC  
3372 Woods Edge Circle – Suite 104  
Bonita Springs, FL 34134

We have audited the accompanying statement of financial condition of Acer Investment Group, LLC (the Company) as of December 31, 2016. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

We conducted our audit in accordance with the standards of Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Acer Investment Group, LLC as of December 31, 2016 in conformity with accounting principles generally accepted in the United States.

  
Lerner & Sipkin CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
February 2, 2017

**Acer Investment Group, LLC**  
**Statement of Financial Condition**  
**December 31, 2016**

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**Assets**

Cash and cash equivalents	\$ 345,229
Due from brokers	553,618
Dividend finder fees receivable	10,218
Fixed assets, net of accumulated depreciation of \$13,903	13,790
Prepaid expenses	12,544
Other assets	<u>8,398</u>

Total assets	<u>\$ 943,797</u>
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**Liabilities and Members' Equity**

Liabilities - Accounts payable and accrued expenses	\$ 70,519
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**Commitments and contingencies**

**Members' Equity**

873,278

Total liabilities and members' equity	<u>\$ 943,797</u>
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The accompanying notes are an integral part of this financial statement.

**Acer Investment Group, LLC**  
**Notes to Financial Statement**  
**December 31, 2016**

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**1. Nature of Business**

Acer Investment Group, LLC, a limited liability company (the “Company”) is a broker-dealer in securities, registered with the Securities and Exchange Commission (“SEC”) and is a member of the Chicago Stock Exchange.

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

These financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”) which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Company considers money market funds to be cash. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

**Marketable Securities**

Marketable securities owned by the Company are reflected at market value with the resulting unrealized gains and losses included in income.

**Income Taxes**

No provision for federal or state income taxes has been made since the Company is a pass-through entity treated as a partnership for U.S. tax purposes. The Internal Revenue Code provides that any income or loss is passed through to the members for federal, state and certain local income taxes.

In accordance with US GAAP, the Company recognizes the tax benefits of certain tax positions only when the position is “more likely than not” to be sustained assuming examination by federal tax authorities. As of December 31, 2016, management has analyzed the Company’s tax positions taken on the federal partnership tax returns and concluded the Company did not require a provision or liability for uncertain tax positions.

**3. Fixed Assets**

Fixed assets as of December 31, 2016, are comprised of:

Equipment	24,347
Less Accumulated Depreciation	<u>(13,903)</u>
	10,444
Artwork, carried at cost and not depreciated	<u>3,346</u>
	<u><u>13,790</u></u>

Depreciation of equipment is computed on the straight-line method using estimated useful lives of five years.



**Acer Investment Group, LLC**  
**Notes to Financial Statement**  
**December 31, 2016**

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**4. Concentrations**

All dividend finder fees are earned from one broker dealer. At December 31, 2016, \$10,218 remained unpaid and accounts for all of the dividend finder fees receivable on the statement of financial condition.

**5. Profit Sharing Plan**

The Company is a sponsor of a defined contribution profit sharing plan for its eligible employees. Contributions to the plan, if any, are determined by the employer and come out of its current accumulated profits. The employer's contribution for any fiscal year shall not exceed the maximum allowable as a deduction to the employer under the provisions of the IRS Code Section 404, as amended, or replaced from time to time. The Company contributed \$0 for the year ended December 31, 2016. The Company's liability to the plan for the year ended December 31, 2016, was \$0.

**6. Commitments**

**Office Leases**

At December 31, 2016, the Company has two leased premises. The leases on these premises expire November 2017 and August 2018, respectively. Both leases have an option to be extended. At December 31, 2016, the minimum rental commitment under these leases is:

<u>Year</u>	<u>Amount</u>
2017	\$ 36,280
2018	<u>14,286</u>
Total	<u>\$ 50,566</u>

**7. Regulatory Requirements**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2016, the Company's net capital of approximately \$828,000 was approximately \$728,000 in excess of its required net capital of \$100,000.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities Exchange Commission, and accordingly is exempt from the remaining provisions of that rule.

**8. Subsequent Events**

Management of the Company has evaluated events and transactions that may have occurred since December 31, 2016 and determined there are no subsequent events requiring recognition or disclosure in the financial statements.